

## LETTER TO SHAREHOLDERS REGARDING ANNUAL GENERAL MEETING

**PERTH, AUSTRALIA; 19 OCTOBER 2022:** Hazer Group Limited (ASX: HZR) (**Hazer** or the **Company**) advises the Annual General Meeting of Shareholders (“Meeting”) will be held at 3:00 pm on Thursday, 24 November 2022, at Level 20, 1 William Street, Perth Western Australia.

In accordance with section 110D(1) of the Corporations Act 2001 (Cth), the Company will not be sending hard copies of the Notice of Meeting to shareholders, unless the shareholder has made a valid election to receive such documents in hard copy. The Notice of Meeting can be viewed and downloaded from the website link:

<https://hazergroup.com.au/announcements/>

A copy of your personalised proxy form is enclosed for your convenience. Please complete and return the attached proxy form to the Company’s share registry, Automic Group Pty Ltd by:

**email:** [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

**fax:** +61 2 8583 3040

**post:** Automic  
GPO Box 5193  
Sydney NSW 2001

Proxy votes may also be lodged online using the following link:

<https://investor.automic.com.au/#/loginsah>

Your proxy voting instruction must be received by 3:00 pm (WST) on 22 November 2022, being not less than 48 hours before the commencement of the Meeting. Any proxy voting instructions received after that time will not be valid for the Meeting.

The Notice of Meeting is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional advisers. If you have any difficulties obtaining a copy of the Notice of Meeting, please contact the Company’s share registry, Automic Group Pty Ltd, on 1300 288 664 (within Australia) or +61 2 9698 5414 (overseas).

To comply with Federal and State government restrictions on social gatherings, the Company may need to admit a limited number of persons to the Meeting. There is a risk that shareholders intending to attend the physical Meeting may not be admitted, depending on the number of Shareholders who wish to physically attend the Meeting.

Therefore, the Company strongly encourages all shareholders to submit their directed proxy votes in advance of the Meeting.

Authorised by the Board of Hazer Group Limited.

Sincerely,  
Romolo Santoro  
Company Secretary

**[ENDS]**

**Hazer Group Limited**

**ABN 40 144 044 600**

**Notice of Annual General Meeting**

**Explanatory Statement and Proxy Form**

**The Annual General Meeting will be conducted as a hybrid meeting. The meeting will be held at Level 20, 1 William Street, Perth, WA 6000 and virtually at 3:00 pm (WST) on Thursday, 24 November 2022.**

**IMPORTANT NOTE**

The Notice of Annual General Meeting and Explanatory Statement should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor, or other professional adviser prior to voting.

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## IMPORTANT INFORMATION

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### Important Dates

Event	Date
Last day for receipt of Proxy Forms	3:00 pm (WST) on Tuesday 22 November 2022
Snapshot date for eligibility to vote	4:00 pm (WST) on Tuesday 22 November 2022
Annual General Meeting	3:00 pm (WST) on Thursday 24 November 2022

### Defined terms

Capitalised terms used in this Notice of Annual General Meeting will, unless the context otherwise requires, have the same meaning given to them in the Glossary set out in the Explanatory Statement.

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of **Hazer Group Limited** (ABN 40 144 044 600) (the **Company**) will be conducted as a hybrid meeting. The Meeting will be held at Level 20, 1 William Street, Perth, WA 6000 and virtually at **3:00 pm (WST)** on **Thursday 24 November 2022** for the purpose of transacting the business referred to in this Notice of Annual General Meeting.

Shareholders can vote by returning a completed Proxy Form or attending the Meeting via live webinar.

Instructions on how to complete a Proxy Form are set out in the Explanatory Statement. Instructions on how to participate in the Meeting via live webinar are set out in the Explanatory Statement.

Proxy Forms must be received by no later than **3:00 pm (WST)** on **Tuesday 22 November 2022**.

The Directors have determined, pursuant to Regulation 7.11.37 of *the Corporations Regulations 2001* (Cth), that the persons eligible to vote at the Meeting are those who are registered Shareholders at **4.00 pm (WST)** on **Tuesday 22 November 2022**.

The Explanatory Statement that accompanies and forms part of this Notice describes the various matters to be considered.

### AGENDA

To consider, and if thought fit to pass, the resolutions set out below.

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#### RESOLUTION 1 – Adoption of the Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding advisory resolution**:

*“That the Remuneration Report contained in the Directors’ Report for the year ended 30 June 2022 be adopted by the Company.”*

**Notes:** In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

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#### RESOLUTION 2 – Re-Election of a Director – Mr Tim Goldsmith

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 14.4, rule 7.3(f) of the Constitution, and for all other purposes, Mr Tim Goldsmith, who retires at the Meeting and is eligible for re-election, be re-elected as a Director.”*

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#### RESOLUTION 3 – Approval of new Employee Incentive Plan

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 7.2, Exception 13(b) and for all other purposes, approval is given for the Company to adopt an employee incentive scheme, being the Hazer Group Employee Incentive Plan and for the issue of up to 8,522,187 Equity Securities under that plan, on the terms and conditions set out in the Explanatory Statement.*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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#### **RESOLUTION 4 – Approval to issue Options to Mr Tim Goldsmith**

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 525,000 Options to Mr Tim Goldsmith (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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#### **RESOLUTION 5 – Approval to issue Options to Dr John (Jack) Hamilton**

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 345,000 Options to Dr John (Jack) Hamilton (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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#### **RESOLUTION 6 – Approval to issue Options to Ms Danielle Lee**

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 345,000 Options to Ms Danielle Lee (or her nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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#### **RESOLUTION 7 – Approval to issue Options to Mr Glenn Corrie**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of to 4,100,000 Options to Mr Glenn Corrie (or his nominee) on the terms and conditions set out in the Explanatory Statement”.*

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

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#### **RESOLUTION 8 – Amendment to Constitution**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That, for the purposes of section 136(2) of the Corporations Act and for all other purposes, approval is given for the Company to amend its Constitution to permit the holding of wholly virtual meetings to the extent permitted under the Corporations Act, Listing Rules and applicable law as set out in Section 7 of the Explanatory Statement with effect from the close of the Meeting.”*

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#### **RESOLUTION 9 – Approval of additional 10% placement capacity**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement.”*

**By order of the Board**

Romolo Santoro  
Company Secretary  
19 October 2022

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## Voting Prohibition Statements

Pursuant to the Corporations Act, the following Resolutions are subject to restrictions on voting as set out in the following table:

Resolution	Description	Prohibition
Resolution 1	Adoption of the Remuneration Report	<p>A vote on the resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none"> <li>(a) members of Key Management Personnel details of whose remuneration are included in the Remuneration Report; or</li> <li>(b) a Closely Related Party of such a member.</li> </ul> <p>However, a person described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none"> <li>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</li> <li>(b) the voter is the Chair of the Meeting and the appointment of the chair as proxy: <ul style="list-style-type: none"> <li>(i) does not specify the way the proxy is to vote on this Resolution; and</li> <li>(ii) expressly authorises the Chair to exercise the proxy even if this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for the Company.</li> </ul> </li> </ul>
Resolution 3	Adoption of Employee Incentive Plan	<p>In accordance with section 250BD of the Corporations Act, A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <ul style="list-style-type: none"> <li>(a) the proxy is either: <ul style="list-style-type: none"> <li>(i) a member of the Key Management Personnel; or</li> <li>(ii) a Closely Related Party of such a member; and</li> </ul> </li> <li>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</li> </ul>

		<p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
Resolutions 4, 5, 6 and 7	Issue of Options to Mr Tim Goldsmith, Dr John (Jack) Hamilton, Ms Danielle Lee and Mr Glenn Corrie.	<p>In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p>(i) a member of the Key Management Personnel; or</p> <p>(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>

### Voting Exclusion Statements

For the purposes of Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions.

The Company will disregard any votes cast in favour of the following Resolutions by or on behalf of the following persons:

Resolution	Description	Exclusion
Resolution 3	Adoption of Employee Incentive Plan	A person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons
Resolution 4	Issue of Options to Director Mr Tim Goldsmith	Mr Tim Goldsmith (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit

		solely by reason of being a holder of ordinary securities in the Company)
Resolution 5	Issue of Options to Director Dr John (Jack) Hamilton	Dr John (Jack) Hamilton (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company)
Resolution 6	Issue of Options to Director Ms Danielle Lee	Ms Danielle Lee (or her nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company)
Resolution 7	Issue of Options to CEO Mr Glenn Corrie	Mr Glenn Corrie (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company)

However, this does not apply to a vote cast in favour of a Resolution by:

- 1) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- 2) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- 3) a holder acting solely in a nominee, trustee, custodial, or other fiduciary capacity on behalf of a beneficiary, provided the following conditions are met:
  - a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - b) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

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## ACTIONS TO BE TAKEN BY THE SHAREHOLDERS

Shareholders can vote by returning a completed Proxy Form or attending the Meeting via live webinar.

### 1. Vote by Proxy

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- (a) each Shareholder has the right to appoint a proxy;
- (b) the proxy need not be a Shareholder of the Company; and
- (c) a Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints 2 proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise half of the votes.

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received at an address below, or online by **3:00 pm (WST) on Tuesday 22 November 2022**. A Proxy Form received after that time will not be valid.

<b>By mail:</b>	Automic GPO Box 5193 Sydney NSW 2001
<b>By hand:</b>	Automic Pty Ltd Level 5 126 Phillip Street Sydney NSW 2000]
<b>By email:</b>	<a href="mailto:meetings@automicgroup.com.au">meetings@automicgroup.com.au</a>
<b>By facsimile:</b>	<b>+61 2 8583 3040</b>
<b>Online:</b>	<a href="https://investor.automic.com.au/#/loginsah">https://investor.automic.com.au/#/loginsah</a>

### Appointment of a proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

The Company encourages Shareholders to appoint the Chair as your proxy. To do so, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chair, please write the name of that person in the space provided on the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chair will be your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, you may photocopy the Proxy Form.

To appoint a second proxy you must, on each Proxy Form, state (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

Alternatively, you can appoint a proxy by completing and signing the enclosed proxy form and sending the form:

- (a) by post, to Automic at GPO Box 5193, Sydney NSW 2001; or
- (b) by hand, to Automic at Level 5, 126 Phillip Street, Sydney NSW 2000.

The deadline for receipt of proxy appointments is **3:00 pm (WST) on Tuesday 22 November 2022**.

Proxy appointments received later than this time will be invalid.

## **2. Participation in the virtual Meeting, voting and asking questions**

The Company is pleased to provide Shareholders with the opportunity to attend the Meeting through an online meeting platform powered by its share registry, Automic, where Shareholders will be able to watch, listen, and vote online. The link to the online portal will be made available to shareholders 30 minutes before the meeting commences.

### **3. To access the Meeting online:**

- (a) Open your internet browser and go to [investor.automic.com.au](http://investor.automic.com.au).
- (b) Login with your username and password or click "**register**" if you haven't already created an account. **Shareholders are encouraged to create an account prior to the start of the Meeting to ensure there is no delay in attending the Meeting online.**
- (c) After logging in, a banner will be displayed at the top once the Meeting is open for registration, click on "View" when this appears.
- (d) Click on "**Register**" and follow the steps.
- (e) Click on the URL to join the webcast where you can view and listen to the Meeting.
- (f) Once the Chair of the Meeting has declared the poll open for voting click on "**Refresh**" to be taken to the voting screen.
- (g) Select your voting direction and click "**confirm**" to submit your vote. Note that you cannot amend your **vote after it has been submitted**.

## **4. Voting by Proxy**

A Proxy Form is attached to this Notice. This is to be used by Shareholders if they wish to appoint a representative to vote in their place. Subject to any restrictions that might be imposed as a result of the COVID-19 pandemic, all Shareholders are invited to attend the Meeting or, if they are unable to attend, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details regarding the appointment of proxies and lodgement of Proxy Forms.

To be valid, your Proxy Form (and any power of attorney under which it is signed) must be received at one of the addresses given below no later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid.

**By online voting:** <https://investor.automic.com.au/#/loginsah>

**By email:** [meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

**By fax:** +61 2 8583 3040

**By post:** Automic  
GPO Box 5193  
Sydney NSW 2001

If a Shareholder appoints the Chairman as his or her proxy or the Chairman is appointed as the Shareholder's proxy by default, and the Shareholder does not direct the Chairman as to how to vote, then the Proxy Form provides that the Hazer Group Limited's Shareholder expressly authorises the Chairman (who is a member of the Key Management Personnel) to exercise the proxy in respect of the relevant item of business, even where the Resolution in respect of an item of business is directly or indirectly connected to the remuneration of one or more members of the Key Management Personnel or is a resolution in respect of which the Chairman has a material personal interest.

Shareholders are encouraged to submit questions in advance of the meeting by emailing the questions to [rsantoro@hazergroup.com.au](mailto:rsantoro@hazergroup.com.au) by no later than **3.00 pm (WST) on Tuesday 22 November 2022**. This will assist in enabling the management to prepare appropriate responses to your questions.

## **5. Power of Attorney**

If the proxy form is signed under a power of attorney on behalf of a Shareholder, then the attorney must make sure that either the original power of attorney or a certified copy is sent with the proxy form, unless the power of attorney has already been provided to the Company's share registry.

## **6. Corporate Shareholders**

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- (a) two directors of the company;
- (b) a director and a company secretary of the company; or
- (c) for a proprietary company that has a sole director who is also the sole company secretary, that director.

## **7. Corporate representatives**

A body corporate may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a duly executed certificate of appointment of the corporate representative. The certificate of appointment must be lodged with the Company and/or the Company's share registry before the Meeting or at the registration desk on the day of the Meeting.

An appointment of a corporate representative form may be obtained from Automic by calling 1300 288 664 (within Australia) or (+61) 2 9698 5414 (Overseas).

## **8. Voting entitlement (snapshot date)**

The Directors have determined, pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), that the persons eligible to vote at the Meeting are those who are registered as holding the Shares at **4.00 pm (WST) on Tuesday 22 November 2022**.

## **9. Questions from Shareholders**

Questions for the Board of Directors can be submitted by email to [rsantoro@hazergroup.com.au](mailto:rsantoro@hazergroup.com.au) and must be received by no later than **3:00 pm (WST) on Tuesday 22 November 2022**.

The Board of Directors will endeavour to prepare answers to these questions, where necessary they will be moderated and curated to cover common ground.

The Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management and performance of the Company.

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## EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

### 1. ANNUAL REPORT

There is no requirement for Shareholders to approve the Annual Report. Shareholders will be offered the opportunity to:

- (a) discuss the Annual Report for the financial year ended on 30 June 2022, which is available on the ASX platform at [www.asx.com.au](http://www.asx.com.au); and
- (b) ask questions about or make comments on the management of the Company.

The Chairperson will allow a reasonable opportunity for the Shareholders as a whole to ask the Auditor questions at the Meeting about:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of the Financial Statements; and
- (d) the independence of the Auditor in relation to the conduct of the audit.

RSM Australia Pty Ltd, as the Auditor responsible for preparing the Auditor's Report for the year ended 30 June 2022 (or its representative), will attend the Meeting.

As required under section 250PA of the Corporations Act, at the Meeting, the Company will make available those questions directed to the Auditor received in writing at least 5 Business Days prior to the Meeting at the Company's registered office, being questions which the Auditor considers relevant to the content of the Auditor's report or the conduct of the audit of the Annual Financial Report for the year ended 30 June 2022. The Chairperson will allow a reasonable opportunity for the Auditor to respond to the questions set out on this list.

The Company advises that a copy of its Annual Report for the year ended 30 June 2022, is available to download at the website address, <https://hazergroup.com.au/wp-content/uploads/2022/08/220829-Appendix-4E-FY21-Annual-Report-Final.pdf>.

### 2. RESOLUTION 1 – ADOPTION OF THE REMUNERATION REPORT

The Remuneration Report is set out in the Directors' Report in the Company's 2022 Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R(3) of the Corporations Act, the vote on Resolution 1 is advisory only and does not bind the Directors or the Company.

Under the Corporations Act, if 25% or more of votes are cast against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings (a “**spill resolution**”) that another meeting be held within 90 days at which all of the Company’s directors who were directors when the resolution to make the directors report considered at the later annual general meeting was passed (other than the Managing Director) must go up for re-election.

At the Company’s previous Annual General Meeting, the votes against the Remuneration Report were less than 25% of the votes cast on the Resolution. As such, Shareholders do not need to consider a spill resolution at the Annual General Meeting if 25% or more of the votes are cast against Resolution 1.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting.

The Company encourages all Shareholders to cast their votes on Resolution 1.

### **3. RESOLUTION 2 – RE-ELECTION OF A DIRECTOR – MR TIM GOLDSMITH**

#### **3.1. General**

Listing Rule 14.4 requires that a director appointed by the Board as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Rule 7.2(b) of the Constitution of the Company provides that the Board may appoint a person to be a Director to fill in casual vacancy or as an additional director. Rule 7.3(f) of the Constitution requires that a Director appointed under rule 7.2(b) must retire at the next annual general meeting and is eligible for re-election at that meeting.

#### **3.2. Mr Tim Goldsmith**

On 24 July 2017, Mr Goldsmith was appointed by the Board as independent Director to the Board. He is currently the Non-Executive Chairman of the Company.

Accordingly, Mr Goldsmith, who retires at the Meeting and is eligible, seeks re-election at the Meeting, in accordance with Listing Rule 14.4 and rule 7.3(f) of the Constitution.

Mr Goldsmith was CEO of Rincon Mining, a lithium development project in Argentina from November 2017 until its sale to Rio Tinto for US\$825 million in March 2022. Prior to that he was a partner at global professional services firm (PwC) for over 20 years. He held multiple roles during his PwC career and is best known for leading PwC’s global mining team with more than 2,000 partners and staff in more than 100 mining countries. Mr Goldsmith was an early participator in the China growth story and initiated a China focus in 2002 and worked extremely closely with many state-owned and private Chinese investors and companies to facilitate Chinese foreign investment in Australian mining and other assets.

Mr Goldsmith is currently a non-executive director of Costa Group Holdings Ltd (ASX code: CGC).

If Resolution 2 is passed, Mr Goldsmith will continue as a Director of the Company.

If Resolution 2 is not passed, Mr Goldsmith will retire as a Director of the Company at the Meeting.

### **3.3. Board recommendation**

The Board (with Mr Goldsmith abstaining) unanimously supports the election of Mr Goldsmith and recommends that Shareholders vote in favour of Resolution 2.

## **4. RESOLUTION 3 – ADOPTION OF EMPLOYEE INCENTIVE PLAN**

### **4.1. General**

On 1 October 2022, amendments to the Corporations Act commenced which impact the regulatory regime for employee share schemes (**ESS**). Division 1A has been introduced into Part 7.12 of the Corporations Act, providing a separate regime for the making of offers in connection with an ESS (**New Regime**). The New Regime will replace the current relief provided by ASIC Class Order 14/1000 (Class Order 14/1000), which commenced on 30 October 2014.

To ensure that the Company is able to rely on the relief provided by the New Regime, the Company proposes to adopt a new ESS to address the requirements of the New Regime.

Resolution 3 seeks Shareholder approval for the adoption of the new ESS titled the “Hazer Group Employee Incentive Plan” (**Employee Incentive Plan**) in accordance with Listing Rule 7.2 (Exception 13(b)). A summary of the key terms of the Employee Incentive Plan are set out in **Schedule 1**.

The objective of the Employee Incentive Plan is to attract, motivate and retain ESS participants, including key employees and directors of the Company. The Company considers that the adoption of the Employee Incentive Plan and the future issue of Equity Securities under the Employee Incentive Plan will provide ESS participants with the opportunity to participate in the future growth of the Company.

Subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of Equity Securities under the scheme as an exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of Equity Securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

#### 4.2 Key changes between Class Order and New Regime for listed entities

	<b>Class Order position</b>	<b>New Regime</b>
<b>Disclosure obligations</b>	<p>The Class Order requires certain information that must be provided to ESS Participants</p> <p>There is no difference between the disclosure requirements where ESS interests are offered for monetary consideration or for no monetary consideration.</p>	<p><b>If the offer of ESS interests is for no monetary consideration:</b> There are no prescribed disclosure obligations, other than a statement that the offer is made under Division 1A.</p> <p><b>If the offer of ESS interests is for monetary consideration:</b></p> <p>Certain prescribed disclosure requirements apply. These disclosure requirements are similar (although different) to the current disclosure requirements under the Class Order.</p> <p>The participant cannot acquire the ESS interests until 14 days after receiving the above disclosure. This mandates a cooling-off period ensuring a participant has time to consider their decision and seek legal and financial advice.</p> <p>Any associated trust, contribution plan and loan arrangement will need to comply with specified requirements.</p>
<b>ESS Participants</b>	<ul style="list-style-type: none"> <li>• Directors</li> <li>• Full-time and part-time employees;</li> <li>• Casual employees and contractors, provided they work the number of hours that are the pro-rata equivalent of 40% or more of a comparable full-time position with the entity.</li> </ul>	<ul style="list-style-type: none"> <li>• Directors</li> <li>• Full-time and part-time employees;</li> <li>• Any service providers to the entity (with no minimum requirement of hours of service provided);</li> <li>• Certain 'related persons' to the above.</li> </ul>

<p><b>5% limit</b></p>	<p>The maximum number of ESS interest that can be issued under the Class Order relief over a three-year period is 5% of the issued share capital.</p>	<p><b>If the offer of ESS interests is for no monetary consideration:</b> There is no limit on the number of such ESS interest that may be issued.</p> <p><b>If the offer of ESS interests is for monetary consideration:</b> The number of ESS interest issued over a three-year period must not exceed 5% of the Company's issued share capital, unless the Company specifies a different issue cap in its constitution.</p>
<p><b>Quotation requirement</b></p>	<p>An entity's shares must have been quoted for three months before Class Order relief is available.</p>	<p>Newly listed entities can offer ESS interests without any minimum quotation period. This will make it much simpler for newly interested entities to offer ESS interests.</p>
<p><b>Suspension</b></p>	<p>The entity's shares must not have been suspended for more than 5 days over the previous 12 months.</p>	<p>An entity is permitted to offer ESS interest regardless of any suspension to the trading of its shares.</p>
<p><b>On-sale relief</b></p>	<p>Relief is provided from the on-sale provisions for securities issued under the Class Order.</p>	<p>There is no equivalent relief under the new provisions except where the subsequent sale is to another eligible participant in the same ESS. This means that cleansing notices must be issued (s708A(5) if eligible (or otherwise a cleansing prospectus (s708A(11))) in order to ensure shares may be on-sold within 12 months of issue.</p>
<p><b>ASIC involvement</b></p>	<p>A Notice of Reliance must be submitted to ASIC to rely on the Class Order relief.</p>	<p>There are no lodgment requirements.</p> <p>ASIC has the power to require the provision of documents necessary in order to form an opinion about whether the regime has been complied with.</p> <p>ASIC has also been given express enforcement powers</p>

		including the ability to issue 'stop orders'.
<b>Criminal offences</b>	Not applicable	New ESS related criminal offences have been introduced regarding certain misleading or deceptive statements or omissions.

#### 4.3 Information required by Listing Rule 14.1A

If Resolution 3 is passed, the Company will be able to issue up to a maximum of 8,522,187 Equity Securities for consideration under the Employee Incentive Plan pursuant to Listing Rule 7.2, exception 13(b), to eligible participants over a period of 3 years without using the Company's 15% annual placement capacity under Listing Rule 7.1.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Equity Securities under the Employee Incentive Plan to a related party or a person whose relationship with the company or the related party is, in ASX's opinion, such that approval should be obtained.

If Resolution 3 is not passed, the Company will not be able to adopt the Employee Incentive Plan and instead any issues will be made either with Shareholder approval under Listing Rule 7.1 (and 7.1A if applicable) or, in reliance on the Company's placement capacity under either or both Listing Rules 7.1 and 7.1A as applicable. In the latter case, any issues of Equity Securities will reduce, to that extent, the Company's capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue of the Equity Securities.

#### 4.4 Information required by Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 3:

- (a) a summary of the key terms and conditions of the Employee Incentive Plan is set out in **Schedule 1**.
- (b) the number of securities issued under the Company's existing employee securities incentive plan titled, "Hazer Group Employee Incentive Plan" adopted on 19 November 2019, is as follows:

Issue date	Equity Securities	Number of Equity Securities
1 November 2021	Series M options were exercised for a cash consideration of \$0.70 for each ordinary share.	85,000

- (c) as at the date of this Notice, no Equity Securities have been issued under the Employee Incentive Plan.
- (d) the maximum number of Equity Securities proposed to be issued under the Employee Incentive Plan pursuant to Listing Rule 7.2, exception 13(b) must not at any time exceed in aggregate 5% of the total Shares on issue at the date of any

proposed new issues of Securities under the Employee Incentive Plan. Based on the number of Shares on issue as at the date of this Notice, being 170,443,743, 5% equates to a maximum of 8,522,187 Equity Securities. It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately.

- (e) A voting exclusion statement for Resolution 3 is provided in the Notice.

#### **4.5 Board recommendation**

The Board recommends that Shareholders vote in favour of Resolution 3.

### **5. RESOLUTIONS 4, 5 and 6 – ISSUE OF OPTIONS TO DIRECTORS**

#### **5.1 General**

The Company has agreed, subject to obtaining Shareholder approval, to issue a total of 1,215,000 Options to the following Directors:

- (a) Mr Tim Goldsmith (Resolution 4);
- (b) Dr John (Jack) Hamilton (Resolution 5);
- (c) Ms Danielle Lee (Resolution 6).

(or their respective nominees) on the terms and conditions set out below.

The Company is in an important stage of development with significant opportunities and challenges in both the near and long term and the proposed issue of Options seeks to align the efforts of the Directors in seeking to achieve growth of the Company's Share price and in the creation of Shareholder value. The board believes that the issue of Options will align the interests of the Directors with those of the Company and its Shareholders. In addition, the Board considers that incentivising with Options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer the Options to continue to attract and maintain highly experienced and qualified Directors in a competitive market. The level of non-Executive remuneration is reviewed periodically to ensure alignment with the market. Recent benchmarking of ASX companies of a similar size, profitability, growth and risk profile, confirmed the recommended value and thus number of Options to be issued. The proposed number of Options to be issued under Resolutions 4, 5 and 6 are equivalent to the amount of at-risk remuneration for each relevant Director for a period of 3 years.

#### **5.2 Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, an entity must not issue or agree to issue Equity Securities to:

- (a) a related party (Listing Rule 10.11.1);
- (b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the entity (Listing Rule 10.11.2);
- (c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);

- (d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- (e) a person whose relationship with the entity or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (10.11.5),

unless it obtains the approval of its shareholders.

The issue of the Options to the Directors falls within Listing Rule 10.11.1 and does not fall within any of the exceptions provided for in Listing Rule 10.12. Shareholder approval is therefore required for the issue under Listing Rule 10.11.

### **5.3 Information required by Listing Rule 10.13**

In accordance with Listing Rule 10.13 the following information is provided in relation to the proposed issue of Options:

- (a) The Options will be issued to the following Directors:
  - (i) Mr Tim Goldsmith (or his nominee) pursuant to Resolution 4;
  - (ii) Dr John (Jack) Hamilton (or his nominee) pursuant to Resolution 5; and
  - (iii) Ms Danielle Lee (or her nominee) pursuant to Resolution 6.
- (b) Each of Mr Tim Goldsmith, Dr John (Jack) Hamilton and Ms Danielle Lee fall within Listing Rule 10.11.1 as they are Directors of the Company and therefore each a related party of the Company. If the Options are issued to a nominee of the relevant Director, the nominee will fall into the category set out in Listing Rule 10.11.4.
- (c) A maximum number of 1,215,000 Options in aggregate are proposed to be issued to the Participating Directors (or their respective nominees) comprising:
  - (i) 525,000 Options to Mr Tim Goldsmith;
  - (ii) 345,000 Options to Dr John (Jack) Hamilton; and
  - (iii) 345,000 Options to Ms Danielle Lee.
- (d) A summary of the material terms of the Options proposed to be issued under Resolutions 4, 5 and 6 is provided at Schedule 3 and Annexure A.
- (e) The Options will be granted no later than 1 month after the date of the Meeting (or such other date to the extent permitted by any ASX waiver or modification to the Listing Rules.
- (f) The performance-based options will be granted for nil cash consideration. Funds raised on exercise of the options will be used for general working capital purposes.
- (g) The purpose of the issue of the Options is to incentivise the Directors. The issue of Options is considered an appropriate form of incentivisation because:

- (i) the issue will not result in immediate dilution to existing Shareholders;
  - (ii) aligns the Participating Director's interests with long term Shareholder value;
  - (iii) encourages retention; and
  - (iv) the issue of Options is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of those benefits will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternate cash forms of remuneration were provided.
- (g) The current total annual remuneration package (inclusive of statutory superannuation) for each of the Directors as at the date of this Notice (and assuming Resolutions 4 to 6 are approved is as follows:

<b>Participating Related Party</b>	<b>Current Total Remuneration Package</b>	<b>Component</b>
Tim Goldsmith (Chair)	\$82,875 \$223,685 <sup>1</sup> <hr/> <b>306,530</b>	Fees 525,000 Options
Dr John (Jack) Hamilton	\$55,250 \$146,993 <sup>2</sup> <hr/> <b>202,243</b>	Fees 345,000 Options
Danielle Lee	\$55,250 \$146,993 <sup>3</sup> <hr/> <b>202,243</b>	Fees 345,000 Options

1. Value of 525,000 Options proposed under Resolution 4 covering 3 years.

2. Value of 345,000 Options proposed under Resolution 5 covering 3 years.

3. Value of 345,000 Options proposed under Resolution 6.

The Company has used the Monte Carlo model to determine the fair value of the Options, based on a share price of \$0.61 per Share on 23 September 2022, to determine the number of Options to be issued. The Company's valuation of the Options is set out in Schedule 2.

- (h) The Options are not being issued under an agreement.
- (i) A voting exclusion statement is included in the Notice.

#### **5.4 Information required by Listing Rule 14.1A**

If Resolutions 4 to 6 (inclusive) are passed, the Company will be able to proceed with the issue of Options to the Directors within one month of the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Options pursuant to Resolutions 4 to 6 (inclusive) because approval is being obtained under Listing Rule 10.11. Therefore, the issue of the Options will not use up any of the Company's 15% annual placement capacity.

If Resolutions 4 to 6 (inclusive) are not passed, the Company will not be able to proceed with the issue of the Options to the Directors (or their respective nominees) and the Company will need to consider alternate commercial means to incentivise them.

## **5.5 Chapter 2E of the Corporations Act**

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain shareholder approval in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 229 of the Corporations Act defines "financial benefit" broadly and states that the economic and commercial substance of the conduct is to prevail over its legal form.

The issue of Options to each of Tim Goldsmith, Dr John (Jack) Hamilton and Danielle Lee constitutes giving a financial benefit as each is a related party of the Company by virtue of being a Director.

Under section 208 of the Corporations Act for a public company to give a financial benefit to a related party (such as a director of the Company), the public company must obtain the approval of the company's members unless the giving of the financial benefit falls within an exception set out in sections 210 and 216 of the Corporations Act.

The Board, other than:

- (a) Tim Goldsmith, in respect of Resolution 4;
- (b) Dr John (Jack) Hamilton, in respect of Resolution 5; and
- (c) Ms Danielle Lee, in respect of Resolution 6,

has resolved that the issue of Options pursuant to Resolutions 4 to 6 (inclusive) constitutes reasonable remuneration in the circumstances and therefore falls within the scope of the exception in section 211 of the Corporations Act. On this basis, approval under Chapter 2E of the Corporations Act is not sought.

## **5.6 Additional information**

Resolutions 4 to 6 (inclusive) are ordinary resolutions.

The Board, other than:

- (a) Tim Goldsmith, in respect of Resolution 4;

(b) Dr John (Jack) Hamilton, in respect of Resolution 5; and

(c) Ms Danielle Lee, in respect of Resolution 6,

recommends that Shareholders vote in favour of Resolutions 4 to 6 (inclusive).

## **6. RESOLUTION 7– ISSUE OF OPTIONS TO CEO**

### **6.1. General**

Resolution 7 seeks Shareholder approval for the issue of performance-based options to the Company's Chief Executive Officer (CEO), Mr Glenn Corrie.

As announced to ASX on 29 June 2022, the Company agreed, subject to obtaining Shareholder approval, to issue a total of 4,100,000 Options to Mr Glenn Corrie as part of his broader remuneration package relating to his appointment as Chief Executive Officer. The conditions to trigger the vesting of the Options are at a significant premium to the Company's current share price as set out in section 6.3(i) below. The options package covers the first 3 years of Mr Corrie's employment contract.

### **6.2. Listing Rule 10.11**

Please refer to section 5.2 above for a summary of Listing Rule 10.11.

The issue of the performance-based options to Mr Corrie falls within Listing Rule 10.11.1 and does not fall within any of the exceptions provided for in Listing Rule 10.12. Shareholder approval is therefore required for the issue under Listing Rule 10.11.

### **6.3. Information required by Listing Rule 10.13**

In accordance with Listing Rule 10.13 the following information is provided in relation to the proposed issue of Options pursuant to Resolution 7:

- (a) The Options are to be issued to the Company's CEO, Mr Glenn Corrie.
- (b) Mr Corrie falls within Listing Rule 10.11.1 as he is a related party by virtue of having reasonable grounds to believe that he is likely to be appointed a director of the Company at any time in the future.
- (c) A total of 4,100,000 Options are to be issued to Mr Corrie.
- (d) A summary of the material terms of the Options proposed to be issued to Mr Corrie is provided at Schedule 3 and Annexure A.
- (e) The Options will be granted no later than 1 month after the date of the Meeting (or such other date to the extent permitted by any ASX waiver or modification to the Listing Rules.
- (f) The Options will be granted for nil cash consideration. Funds raised on exercise of the Options will be used for general working capital purposes.
- (g) The purpose of the issue of the Options is to provide an incentive component to Mr Corrie's remuneration package to align his interests with those of Shareholders, to motivate and reward performance in his role as CEO and to provide a cost effective way for the Company to remunerate him, which will allow the Company to spend a

greater proportion of its cash reserves on its operations that it would if alternative cash forms of consideration were provided.

- (h) Whilst Mr Corrie is not a Director, he is a related party under Listing Rule 10.11.1. Details of his current total remuneration package are set out in the table below at paragraph

<b>Current Total Remuneration Package</b>	<b>Component</b>
\$505,292	Fixed annual remuneration
\$1,552,590 <sup>1</sup>	4,100,000 Options
<b>\$2,057,882</b>	

<sup>1</sup> This is the value of 4,100,000 Options proposed to be issued under Resolution 7 covering the first 3 years of Mr Corrie's employment contract.

- (i) A summary of the key terms of the engagement agreement pursuant to which the options will be issued are as follows:

<b>Remuneration</b>	\$480,000 per annum plus compulsory superannuation
<b>Notice Period</b>	Following a 3 month probation period, notice period is 3 months by either party (except in event of "with cause" termination).
<b>Short term Incentive (STI)</b>	Ability to earn up to 50% of base salary, paid 50% in cash and 50% in shares. Shares are to be priced at the 30 day VWAP at the start of each performance year. Key performance targets will be set by the Board for each performance year against which the STI payable will be assessed.
<b>Long term Incentive (LTI)</b>	A total of 4.1 million performance-based options comprising: <ul style="list-style-type: none"> <li>500,000 performance-based options vesting on the later of 12 months service or a share price of 130% of the 30 day volume weighted average Company share price on the ASX up to the date of the announcement of the new CEO appointment on 29 June 2022, being \$0.63461405 (Market Announcement 30 Day VWAP).</li> <li>600,000 performance-based options vesting on the later of 18 months service or a share price of 150% of the Market Announcement 30 Day VWAP.</li> <li>800,000 performance-based options vesting on the later of 24 months service or a share price of 200% of the Market Announcement 30 Day VWAP.</li> </ul>

	<ul style="list-style-type: none"> <li>• 1,000,000 performance-based options vesting on the later of 30 months service or a share price of 300% of the Market Announcement 30 Day VWAP.</li> <li>• 1,200,000 performance-based options vesting on the later of 36 months service or a share price of 400% of the Market Announcement 30 Day VWAP.</li> </ul>
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(j) A voting exclusion statement is provided in this Notice.

#### **6.4. Information required by Listing Rule 14.1A**

If Resolution 7 is passed, the Company will be able to proceed with the issue of Options to Mr Corrie within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules). As approval pursuant to Listing Rule 7.1 is not required for the issue of the options to Mr Corrie (because approval is being obtained under Listing Rule 10.11), the issue of the Related Party Options will not use up the Company's 15% annual placement capacity.

If Resolution 7 is not passed, the Company will not be able to proceed with the issue of the options to Mr Corrie (or his nominee), and the Company may be required to re-negotiate the remuneration arrangements with Mr Corrie, which may require additional cash payments and affect the Company's available cash position will have to consider alternate commercial means to incentivise him.

#### **6.5. Chapter 2E of the Corporations Act**

Please refer to section 5.5 of this Notice for a summary of Chapter 2E of the Corporations Act.

The issue of Options to Glenn Corrie constitutes giving a financial benefit as he is a related party of the Company by virtue of section 228(6) of the Corporations Act.

The purpose of the issue of the options to Mr Corrie is to provide a broader remuneration. By offering incentives in the form of options, rather than cash, the Company can maximise the availability of cash for the Company's operations.

The Board has resolved that the issue of Options to Mr Corrie pursuant to Resolution 7 constitutes reasonable remuneration in the circumstances and therefore falls within the scope of the exception in section 211 of the Corporations Act.

#### **6.6. Additional information**

Resolution 7 is an ordinary resolution.

#### **6.7. Board recommendation**

The Board unanimously recommends that Shareholders vote in favour of Resolution 7.

### **7. RESOLUTION 8 – AMENDMENT TO CONSTITUTION**

#### **7.1. Background**

Resolution 8 seeks Shareholder approval to amend the Company's Constitution.

The proposed amendments to the Constitution will incorporate recent amendments to the Corporations Act regarding the holding of Shareholder meetings using virtual meeting technology.

## 7.2. Proposed amendments

An overview of the key changes proposed to be made to the Constitution are set out below.

Permanent changes to the Corporations Act permit hybrid meetings (including virtual only meetings if allowed under a company's constitution). From 1 April 2022, section 249R of the Corporations Act, as amended, provides that a company may hold a meeting of its members:

- (a) at one or more physical venues; or
- (b) at one or more physical venues and using virtual meeting technology; or
- (c) using virtual meeting technology only if this is required or permitted by the company's constitution expressly.

The Company's Constitution does not expressly permit the Company to hold a meeting of its members using virtual meeting technology only. Resolution 8 seeks shareholder approval to amend the Company's constitution so that the Company may hold a members meeting using virtual meeting technology only.

Where possible, the Company intends to continue to hold "hybrid" Shareholder meetings and does not intend to move permanently to wholly "virtual" online meetings. The Board, however, considers the proposed amendments are in the best interests of Shareholders as they provide the Company flexibility in the future to hold "virtual" only meetings, if the Board takes the view that circumstances exist where this would be beneficial and in the interests of Shareholders.

It is proposed that the Constitution be amended by replacing rules 6.7 and 6.8 as set out below, along with immaterial consequential changes:

### **"6.7 Meetings in 2 or More Places**

- (a) *A meeting of Members may be held using virtual technology only, or in 2 or more places provided that the form of technology used is approved by the directors and:*
  - (i) *gives the Members as a whole a reasonable opportunity to participate in the proceedings;*
  - (ii) *enables the chairperson to be aware of the proceedings in each place; and*
  - (iii) *enables the Members in each place to vote on a show of hands and on a poll.*
- (b) *If a meeting of Members is held using virtual technology only, or in 2 or more places pursuant to Rule 6.7(a):*
  - (i) *a Member participating in the meeting is taken to be present in person at the meeting;*
  - (ii) *any documents required or permitted to be tabled at the meeting will be taken to have been tabled at the meeting if the document is given, or made available, to the persons entitled to attend the meeting (whether physically or using technology) before or during the meeting; and*

(iii) *the meeting is taken to be held at the physical venue set out in the notice of meeting, or at the registered office of the Company if the meeting is held using virtual technology only.*

(c) *In this Constitution, a reference to 'place' also includes a reference to any virtual meeting technology used, where a meeting of Members is being held in accordance with this rule 6.7.*

### **6.8 Use of technology at meetings**

(a) *Notwithstanding anything else contained in this Constitution and subject to the Corporations Act and Listing Rules:*

(i) *if before or during a meeting of Members any technical difficulty occurs such that the Members do not have a reasonable opportunity to participate, the chairperson may:*

(A) *adjourn the meeting for a reasonable period until the technical difficulty is remedied; or*

(B) *where a quorum remains present (either at the place at which the chair is present or by virtual meeting technology as contemplated by this rule 6.7) and able to participate, continue the meeting;*

(ii) *in no circumstances shall the inability of one or more Members to access, or to continue to access, virtual meeting technology affect the validity of a meeting of Members, or any business conducted at a meeting of Members, provided that sufficient Members are able to participate in the meeting as are required to constitute a quorum;*

(iii) *nothing in this rule 6.8 is to be taken to limit the powers conferred on the chairperson under the Corporations Act and this Constitution."*

### **7.3. Section 136(2) Corporations Act**

Under section 136(2) of the Corporations Act, amendments to the Constitution may only be made by a special resolution of Shareholders. This means that Resolution 8 must be passed by at least 75% of the votes cast by shareholders entitled to vote on the resolution.

### **7.4. Additional information**

A copy of the Constitution which sets out the proposed amendments (**Amended Constitution**) will be tabled at the Meeting and is also available on the Company's website <https://hazergroup.com.au/wp-content/uploads/2022/10/2022-Constitution-of-Hazer-Group-Limited-DRAFT-Mark-up-for-shareholder-approval.pdf> and at the office of the Company. A copy of the Amended Constitution can also be sent to Shareholders upon request to the Company Secretary by email: [rsantoro@hazergroup.com.au](mailto:rsantoro@hazergroup.com.au) or phone (+61 8 9329 3358). Shareholders are invited to contact the Company if they have any queries or concerns.

If Resolution 8 is passed, the Company will adopt the amended Constitution with effect from the date this Resolution is passed.

## **7.5. Board recommendation**

The Board recommends that Shareholders vote in favour of Resolution 8. The proposed amendments to the Constitution will provide greater flexibility and clarity around the Company holding general meetings (including annual general meetings) using technology and provide the option of holding virtual only meetings and greater flexibility to make offers involving monetary consideration under the new Incentive Plan.

## **8. RESOLUTION 9 – APPROVAL OF ADDITIONAL 10% PLACEMENT CAPACITY**

### **8.1. General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully-paid ordinary securities it had on issue at the start of that period.

Under Listing Rule 7.1A, however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

An “eligible entity” means an entity which is not included in the S&P/ASX 300 Index and which has a market capitalisation of \$300 million or less. The Company is an eligible entity for these purposes.

Resolution 8 seeks shareholder approval by way of special resolution for the Company to have the additional 10% capacity provided for in Listing Rule 7.1A to issue Equity Securities without shareholder approval.

### **8.2. Information required by Listing Rule 14.1A**

If Resolution 8 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further shareholder approval.

If Resolution 8 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without shareholder approval set out in Listing Rule 7.1.

Resolution 8 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### **8.3. Listing Rule 7.1A and information required by Listing Rule 7.3A**

#### **(a) Shareholder Approval**

The ability to issue Equity Securities under the 10% placement capacity (**Placement Facility**) is subject to shareholder approval by way of a special resolution at an annual general meeting.

#### **(b) Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. The Company

has one class of quoted Equity Securities on issue, being ordinary shares (ASX Code: HZR).

**(c) Formulae for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12-month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

**Where:**

**A** is the number of fully paid ordinary shares on issue at the commencement of the Relevant Period:

- (i) plus the number of fully paid shares issued in the Relevant Period under an exception in Listing Rule 7.2 other than exceptions 9,16 or 17;
- (ii) plus the number of fully paid ordinary shares issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
  - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (iii) plus the number of fully paid ordinary shares issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - the agreement was entered into before the commencement of the Relevant Period; or
  - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- (iv) plus the number of any other fully paid ordinary shares issued in the Relevant Period with approval under Listing Rule 7.1 or Listing Rule 7.4;
- (v) plus the number of partly paid shares that became fully paid in the Relevant Period;
- (vi) less the number of fully paid shares cancelled in the Relevant Period.

Note that A has the same meaning given in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under the Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement has not been subsequently approved by Shareholders under Listing Rule 7.4.

#### **8.4. Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the volume weighted average market price (**VWAP**) of Equity Securities in the same class calculated over the 15 Trading Days on which trades in the class were recorded immediately before:

- (a) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (b) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (a) above, the date on which the Equity Securities are issued.

#### **8.5. 10% Placement Period**

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires the earlier to occur of:

- (a) the date that is 12 months after the date of the annual general meeting at which approval is obtained;
- (b) the time and date of the Company's next annual general meeting; and
- (c) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 or 11.2,

or such longer period if allowed by ASX (**10% Placement Period**).

#### **8.6. Other Specific Information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the approval of the 10% Placement Facility:

If Resolution 8 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table (in the case of options, only if the options are exercised). There is a risk that:

- (a) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
- (b) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of Shares for variable "A" calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice.

The table also shows:

- (a) two examples where variable "A" has increased, by 50% and 100% and the voting dilution impact of such an increase. Variable "A" is based on the number of Shares the Company has on issue. The number of Shares on issue may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of Shares has decreased by 50% and increased by 100% as against the current market price.

Number of Shares on Issue (Variable 'A' in Listing Rule 7.1A2)	Dilution			
	Issue Price (per Share)	\$0.2925	\$0.5850	\$1.1700
		(50% decrease in current issue price)	(Current issue price)	(100% increase in current issue price)
170,443,743 (Current Variable A)	Shares issued – 10% voting dilution	17,044,374	17,044,374	17,044,374
	Funds raised	\$4,985,479	\$9,970,959	\$19,941,918
255,665,615 (50% increase in Variable A)	Shares issued – 10% voting dilution	25,566,562	25,566,562	24,082,829
	Funds raised	\$7,478,219	\$14,956,438	\$29,912,877
340,887,486 (100% increase in Variable A)	Shares issued – 10% voting dilution	34,088,749	34,088,749	24,082,829
	Funds raised	\$9,970,959	\$19,941,918	\$39,883,836

The table has been prepared on the following assumptions:

- (a) variable 'A' in the above table is calculated with reference to the total shares on issue at the date of this Notice.
- (b) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (c) No options (including any options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities.
- (d) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (e) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting. All Shareholders should consider the dilution caused by their own shareholding depending on the specific circumstances.
- (f) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (g) The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes options, it is assumed that those options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- (h) The current issue price is \$0.5850, being the closing price of the Shares on the ASX on 17 October 2022.
- (i) The Company will only issue Equity Securities during the 10% Placement Period. The approval under Resolution 8 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking)).

The Company can only issue Equity Securities for cash consideration. In such circumstances, the Company intends to use the funds raised towards supporting and expanding its business development activities to take advantage of the high global interest in technologies such as the Hazer Process, to enhance the Company's ongoing research and development programs, corporate and administration and working capital.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 upon issue of any Equity Securities.

The identity of the recipients of Equity Securities will be determined on a case-by-case basis having regard to factors, including but not limited to the following:

- (a) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (b) the effect of the issue of the Equity Securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisers (if applicable).

The recipients under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

The Company obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its previous annual general meeting held on 8 December 2021. During the 12-month period preceding the date of this Meeting, the Company did not issue any Shares under its Listing Rule 7.1A Placement Capacity and no information under Listing Rule 7.3A.6(b) is required to be set out in this Notice.

There is no circumstance that the Company has agreed before the 12-month period to issue Equity Securities under Listing Rule 7.1A.2 but as at the date of the Meeting not yet issued those Equity Securities.

As of the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A.2 and no voting exclusion statement is required for this Notice

#### **8.7. Voting exclusion statement**

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

#### **8.8. Board recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 9.

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#### **ENQUIRIES**

Shareholders are encouraged to contact the Company Secretary by email at [rsantoro@hazergroup.com.au](mailto:rsantoro@hazergroup.com.au) if they have any queries in respect of the matters set out in these documents.

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## GLOSSARY

In this Explanatory Statement and the Notice, the following terms have the following meaning unless the context otherwise requires:

<b>Annual General Meeting, General Meeting, or Meeting</b>	the annual general meeting of Shareholders convened by this Notice, or any resumption thereof.
<b>Associate</b>	has the meaning given to that term in the Listing Rules.
<b>ASX</b>	ASX Limited (ACN 008 624 691), or, as the context requires, the financial market operated by it known as the Australian Securities Exchange.
<b>Board</b>	the board of Directors of the Company.
<b>Business Day</b>	has the meaning given to that term in the Listing Rules.
<b>Chair or Chairperson</b>	the chair of the Meeting.
<b>Closely Related Party</b>	of a member of Key Management Personnel means: <ul style="list-style-type: none"><li>(a) a spouse or child of the member;</li><li>(b) a child of the member's spouse;</li><li>(c) a dependent of the member or the member's spouse;</li><li>(d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;</li><li>(e) a company the member controls; or</li><li>(f) a person prescribed by the <i>Corporations Regulations 2001</i> (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.</li></ul>
<b>Company or Hazer</b>	Hazer Group Limited (ABN 40 144 044 600).
<b>Constitution</b>	the Constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	a director of the Company, and where the context requires, includes an alternate director.
<b>ESS Interest</b>	means has the meaning given to that term in Section 1100M of the Corporations Act.
<b>Equity Securities</b>	has the meaning given to that term in the Listing Rules.

<b>Employee Incentive Plan</b>	has the meaning given to that term in clause 4.1.
<b>Explanatory Statement</b>	this explanatory statement which accompanies and forms part of the Notice.
<b>Glossary</b>	this glossary of terms.
<b>Incentive Rights</b>	in relation to a security or financial product, has the meaning given to that term in Section 1100M(4) of the Corporations Act.
<b>Key Management Personnel</b>	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board.
<b>Listing Rules</b>	the listing rules of ASX, as amended from time to time.
<b>Notice or Notice of Meeting</b>	the Notice of Annual General Meeting accompanying this Explanatory Statement.
<b>Option</b>	means an option to acquire a Share.
<b>Placement</b>	has the meaning ascribed to it in paragraph 7.1.
<b>Placement Shares</b>	has the meaning ascribed to it in paragraph 7.1.
<b>Proxy Form</b>	the proxy form accompanying the Notice.
<b>Related Body Corporate</b>	has the same meaning as given to that term in the Corporations Act.
<b>Related Party</b>	has the meaning given to that term in the Listing Rules.
<b>Relevant Period</b>	has the meaning given in Listing Rule 7.1.
<b>Resolution</b>	a resolution referred to in the Notice.
<b>Securities</b>	any Equity Securities of the Company (including Shares, options and/or performance rights).
<b>Share</b>	a fully-paid ordinary share in the Company.
<b>Shareholder</b>	a holder of a Share.
<b>Trading Day</b>	has the meaning given to that term in the Listing Rules.
<b>WST</b>	Western Australia Standard Time.

## SCHEDULE 1: SUMMARY OF KEY TERMS OF EMPLOYEE INCENTIVE PLAN

A summary of the material terms of the Employee Incentive Plan is set out below.

<p><b>Eligibility</b></p>	<p>A person is an <b>Eligible Participant</b> if that person has been determined by the Board to be eligible to participate in the Plan from time to time and is an ESS Participant (as that term is defined in Division 1A of Part 7.12 of the Corporations Act) in relation to the Company or an associated entity of the Company.</p>
<p><b>Purpose</b></p>	<p>The purpose of the Plan is to:</p> <ul style="list-style-type: none"> <li>(a) assist in the reward, retention and motivation of Eligible Participants;</li> <li>(b) link the reward of Eligible Participants to performance and the creation of Shareholder value; and</li> <li>(c) align the interests of Eligible Participants more closely with the interests of Shareholders by providing an opportunity for Eligible Participants to receive Plan Shares.</li> </ul>
<p><b>Administration of Plan</b></p>	<p>The Plan will be administered by the Board. The Board may exercise any power or discretion conferred on it by the Plan rules and may delegate its powers and discretion.</p>
<p><b>Eligibility, invitation and application</b></p>	<p>The Board may from time to time make an offer to an Eligible Participant to apply for ESS Interest's under the Plan on such terms and conditions as the Board determines.</p> <p>On receipt of an offer, an Eligible Participant may apply for the ESS Interests the subject of the offer by sending a completed application form to the Company. The Board may accept an application from an Eligible Participant in whole or in part.</p> <p>If an Eligible Participant is permitted in the offer, the Eligible Participant may, by notice in writing to the Board, nominate a related person in whose favor the Eligible Participant wishes to renounce the offer.</p> <p>As required by the provisions of Division 1A, Eligible Participants cannot acquire an ESS Interest under an offer for monetary consideration until at least 14 days after receiving the offer.</p>
<p><b>Grant of ESS Interests</b></p>	<p>The Company will, to the extent that it has accepted a duly completed application form, grant the Participant (being an Eligible Participant who has been granted an ESS Interest under the Plan) the relevant number of ESS Interest's subject to the terms and conditions set out in the offer, the Plan rules and any ancillary documentation provided.</p>
<p><b>Rights attaching to Convertible Securities</b></p>	<p>A <b>Convertible Security</b> means an ESS Interest exercisable for Plan Shares in accordance with the Plan, including an Option or Incentive Right.</p>

	<p>Convertible Securities issued to Eligible ESS Participants under the Plan:</p> <ul style="list-style-type: none"> <li>(d) will not be quoted on ASX; and</li> <li>(e) will not entitle the holder to vote or receive any dividends paid by the Company.</li> <li>(f) do not provide for any participating rights or entitlements inherent and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Convertible Securities without the Convertible Securities having vested and been exercised (if applicable) in accordance with the Plan.</li> </ul>
<p><b>Vesting of Convertible Securities</b></p>	<p>The offer will describe any vesting conditions which must be satisfied before Convertible Securities can be exercised and converted to Shares. If all vesting conditions are satisfied and/or otherwise waived by the Board, a vesting notice will be sent to the Participant by the Company informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by the Company, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied an/or otherwise waived by the Board before expiry of the relevant period, that Convertible Security will lapse.</p>
<p><b>Exercise of Options</b></p>	<p>To exercise an Option, the Participant must deliver a signed notice of exercise and pay the exercise price (if any) to or as directed by the Company, at any time following vesting of the Option (if subject to vesting conditions) and prior to the expiry date as set out in the offer or vesting notice.</p> <p>An offer may specify that at the time of exercise of the Options, the Participant may elect not to be required to provide payment of the exercise price for the number of Options the Company will transfer or issue to the Participant that number of Shares equal in value to the positive difference between the 'market value' of the Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Options. Market value means, at any given date, the volume weighted average price per Share traded on the ASX over the five trading days on which trades in that class were recorded, immediately preceding that given date, unless otherwise specified in an offer.</p> <p>An Option may not be exercised unless and until that Option has vested in accordance with the Plan rules, or such earlier date as set out in the Plan rules.</p>
<p><b>Timing of issue of Shares and quotation of Shares on exercise</b></p>	<p>Within 10 Business Days of vesting and, where applicable, the valid exercise of a Convertible Security by a Participant, the Company will issue the number of Shares to which the</p>

	<p>Participant is entitled under the Plan rules and issue a revised holding statement for any remaining unexercised Convertible Securities held by that Participant.</p> <p>If Plan Shares are in the same class as Shares which are listed on the ASX, the Company will apply for quotation of the Plan Shares issued (or any unquoted Plan Shares transferred) within the time required by the Listing Rules after the date of allotment.</p>
<p><b>Restrictions on dealing with Convertible Securities</b></p>	<p>Unless determined otherwise by the Board in its absolute discretion, or the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative, a Participant may not sell, assign, transfer, grant a security interest over, collateralise a margin loan against, utilise for the purposes of short selling, enter into a derivative with reference to, or otherwise deal with a Convertible Security that has been granted to them. The Convertible Security is forfeited immediately on purported sale, assignment, transfer, dealing or grant of a Security Interest other than in accordance with the Plan rules.</p>
<p><b>Forfeiture of Convertible Securities</b></p>	<p>Convertible Securities will be forfeited in the following circumstances:</p> <ul style="list-style-type: none"> <li>(a) Where a Participant who holds Convertible Securities ceases to be an Eligible Participant, all unvested Convertible Securities will automatically be forfeited by the Participant;</li> <li>(b) Where a Participant acts fraudulently, dishonest, negligently, in contravention of any group policy, demonstrates serious or willful misconduct, willfully breaches their duties to the group or becomes ineligible to hold their office due to Part 2D.6 of the Corporations Act;</li> <li>(c) Where there is a failure to satisfy the vesting conditions in accordance with the Plan;</li> <li>(d) Where a Participant becomes insolvent; or</li> <li>(e) The Expiry Date of the Convertible Security;</li> <li>(f) An unauthorised dealing in, or hedging of, the Convertible Security by the Eligible ESS Participant as governed by Rule 6.3;</li> <li>(g) In respect of vested Convertible Securities only, an Eligible Participant ceases to be an Eligible Participant and the Convertible Securities granted in respect of that Eligible Participant are not exercised within three (3) months (or such later date as the Board determines) of the date the</li> </ul>

	<p>Eligible ESS Participant ceases to be an ESS Participant; or</p> <p>(h) The Company undergoes a change in control or a winding up resolution or order is made, and the Convertible Security does not vest in accordance with the Plan rules.</p>
<b>Adjustment of Convertible Securities</b>	<p>If there is a reorganisation of the issued share capital of the Company (including any consolidation, subdivision, reduction or return), the terms of the Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.</p>
<b>Rights attaching to Plan Shares</b>	<p>An Eligible Participant will, from and including the issue date of the Plan Shares, be the legal owner of the Plan Shares issued in respect of them and will be entitled to dividends and to exercise voting rights attached to the Plan Shares.</p> <p>All Plan Shares will rank pari passu in all respects with the Shares of the same class for the time being on issue except as regards any rights attaching to such shares by reference to a record date prior to the date of their issue.</p>
<b>Disposal restrictions on Plan shares</b>	<p>The Board may, in its discretion, determine at any time up until exercise of a Convertible Security, that a restriction period will apply from the grant date to some or all of the Plan Shares to be issued to an Eligible Participant following the exercise of such Convertible Security.</p>
<b>General Restrictions on Transfer of Plan Shares</b>	<p>Any Plan Shares issued to a holder under the Plan (including upon exercise of Convertible Securities) shall be subject to the terms of the Company's Trading Policy.</p>
<b>Employee Share Trust</b>	<p>The board may, at any time, establish a trust for the sole purpose of acquiring and holding ESS Interests in respect of which an Eligible Participant may exercise, or has exercised, vested Convertible Securities, including for the purpose of enforcing the disposal restrictions and appoint a trustee to act as trustee of the trust.</p>
<b>Maximum number of Securities</b>	<p>The Directors will not make an offer of Options under the Plan in respect of which monetary consideration is payable (either upfront, or on exercise of the Options) unless at the time the Offer is made, the Company reasonably believes that:</p> <p>(a) the total number of Shares that may be issued upon the exercise of the Options offered; plus</p> <p>(b) the total number of Shares issued or that may be issued as a result of offers made under the Plan at any time during the previous 3 year period ending on the day the Offer is made,</p> <p>would not exceed 5% of the total number of Shares on issue at the date of the Offer or such other limit as may be specified by the Applicable Law or the Company's Constitution from time to time.</p>

<p><b>Amendment of Plan</b></p>	<p>Subject to the following paragraph, the Board may at any time amend any provision of the Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan and determine that any amendments to the Plan rules be given retrospective effect, immediate effect or future effect.</p> <p>No amendment to any provision of the Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purposes of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by Participants.</p> <p>Ancillary documents may be amended at any time, at the discretion of the Board, provided the form of the amended documents comply with Applicable Law.</p>
<p><b>Plan duration</b></p>	<p>The Plan continues in operation until the Board decides to terminate it. The Board may from time to time suspend the operation of the Plan for a at any time for such period as it sees fit. If the Plan is terminated or suspended, the Board must consider and endeavor to ensure that all Participants are treated fairly and equitably.</p>
<p><b>Income Tax Assessment Act</b></p>	<p>The Plan is a plan to which Subdivision 83A-C of the <i>Income Tax Assessment Act 1997</i> (Cth) applies (subject to the conditions in that Act) except to the extent an offer provides otherwise.</p>

## SCHEDULE 2 – VALUATION OF OPTIONS

The Options to be issued to the Participating Related Parties pursuant to Resolutions 4 to 6 (inclusive) have been independently valued by Stanton Partners.

Using the Monte Carlo valuation model, the Options were ascribed the following value:

	<b>Tranche 1 Options</b>	<b>Tranche 2 Options</b>	<b>Tranche 3 Options</b>
Methodology	Monte Carlo	Monte Carlo	Monte Carlo
Iterations	100,000	100,000	100,000
Share price at assumed grant date (\$)	0.610	0.610	0.610
Assumed VWAP hurdle (\$)	1.054	1.406	1.757
Exercise price (\$)	0.001	0.001	0.001
Risk-free rate (%)	3.785	3.785	3.785
Volatility (%)	75	75	75
Dividend yield (%)	nil	nil	nil
<b>Fair value per Option (\$)</b>	<b>0.4869</b>	<b>0.4218</b>	<b>0.3695</b>

Note: The above valuation is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.

The Options to be issued to the Participating Related Parties pursuant to Resolution 7 have been independently valued by Stanton Partners.

Using the Monte Carlo valuation model, the Options were ascribed the following value:

	<b>Tranche 1 Options</b>	<b>Tranche 2 Options</b>	<b>Tranche 3 Options</b>	<b>Tranche 4 Options</b>	<b>Tranche 5 Options</b>
Methodology	Monte Carlo				
Iterations	100,000	100,000	100,000	100,000	100,000
Share price at assumed grant date (\$)	0.545	0.545	0.545	0.545	0.545
Assumed VWAP hurdle (\$)	0.825	0.952	1.269	1.904	2.538
Exercise price (\$)	0.001	0.001	0.001	0.001	0.001
Risk-free rate (%)	3.624	3.624	3.624	3.624	3.624
Volatility (%)	75	75	75	75	75
Dividend yield (%)	Nil	Nil	Nil	Nil	Nil
<b>Fair value per Option (\$)</b>	<b>0.5073</b>	<b>0.4818</b>	<b>0.4264</b>	<b>0.3386</b>	<b>0.2752</b>

Note: The above valuation is not necessarily the market price that the Options could be traded at and is not automatically the market price for taxation purposes.

### SCHEDULE 3: SUMMARY OF OPTION TERMS IN RELATION TO RESOLUTIONS 4, 5 AND 6.

The Incentive Options (**Options**) will be issued on the following terms and conditions:

1. (**Entitlement**): Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2. (**Exercise Price**) The amount payable upon exercise of each Option will be \$0.001.
3. (**Expiry Date**) Each Option issued will expire as detailed in Appendix A. An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
4. (**Exercise Period**) The Options are exercisable at any time from vesting on or prior to the Expiry Date.
5. (**One or Several Parcels**) Options may be exercised in one or more parcels, in multiples of 10,000 (unless all of the holder's vested Options are exercised) or any other such multiple as the Board determines, provided that the value of the Shares issued in any parcel is not less than a Marketable Parcel.
6. (**Notice of Exercise**) The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified in the Option Exercise form and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.
7. (**Exercise Date**) A notice of exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds.
8. (**Vesting Conditions**): Refer to Attachment A to this Schedule.
9. The vesting conditions must be achieved within 36 months from 24 November 2022, or 12 months following the resignation of the Option holder.
10. (**Quotation of the Options**): The Company will not apply for quotation of the Options.
11. (**Cashless exercise**) Subject to Board approval at that time, the holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in the notice of exercise but that on exercise of those Options, the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).
12. **Market Value** means, at any given date, the volume weighted average price per Share traded on the ASX over the five trading days on which trades in that class were recorded, immediately preceding that given date, unless otherwise specified in an Offer.
13. (**Timing of issue of Shares on exercise**): Within the time required by the Listing Rules after the Exercise Date, the Company will:
  - (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company; and

- (b) If required, give ASX a notice under section 708A(5)(e) of the Corporations Act, or if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.
14. **(Shares issued on exercise):** Shares issue on exercise of the Options rank equally with the Company's existing Shares.
15. **(Reorganisation of capital):** If there is a reorganisation of the issued share capital of the Company (including any consolidation, subdivision, reduction or return), the terms of the Options will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
16. **(Bonus Issues):** If the Company makes a bonus issue of Shares (other than in lieu of dividends or by way of dividend reinvestment), the Option holder is entitled, upon exercise of the Options, to receive, in addition to the Shares in respect of which the Options are exercised and without the payment of any further consideration an allotment of as many additional Shares as would have been issued to a Shareholder who, on the date of determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Options are exercised.
17. **(Rights Issue);** Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in pro rata issues of Shares made by the Company or to sell renounceable rights.
18. **(No other participation):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
19. **(Change in exercise price):** An option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.
20. **(Transferability):** The Options are not transferable.
21. **(Other)** The Hazer Group Share Trading Policy and ASX compliant clawback provisions will apply to the Options.

## Annexure A

	CEO	Chairman	NED
Number of options and vesting condition.	<ul style="list-style-type: none"> <li>500,000 options vesting on the later of 12 months service or a share price of 130% of 30 d VWAP at 29 June 2022.</li> </ul>	<ul style="list-style-type: none"> <li>175,000 options vesting when the 30 day VWAP is at or above 150% of the 30 day VWAP at the issue date within 3 years of being issued.</li> </ul>	<ul style="list-style-type: none"> <li>115,000 options vesting when the 30 day VWAP is at or above 150% of the 30 day VWAP at the issue date within 3 years of being issued.</li> </ul>
	<ul style="list-style-type: none"> <li>600,000 options vesting on the later of 18 months service or a share price of 150% of 30 d VWAP at 29 June 2022.</li> </ul>	<ul style="list-style-type: none"> <li>175,000 options vesting when the 30 day VWAP is at or above 200% of the 30 day VWAP at the issue date within 3 years of being issued.</li> </ul>	<ul style="list-style-type: none"> <li>115,000 options vesting when the 30 day VWAP is at or above 200% of the 30 day VWAP at the issue date within 3 years of being issued.</li> </ul>
	<ul style="list-style-type: none"> <li>800,000 options vesting on the later of 24 months service or a share price of 200% of 30 d VWAP at 29 June 2022.</li> </ul>	<ul style="list-style-type: none"> <li>175,000 options vesting when the 30 day VWAP is at or above 250% of the 30 day VWAP at the issue date within 3 years of being issued.</li> </ul>	<ul style="list-style-type: none"> <li>115,000 options vesting when the 30 day VWAP is at or above 250% of the 30 day VWAP at the issue date within 3 years of being issued.</li> </ul>
	<ul style="list-style-type: none"> <li>1,000,000 options vesting on the later of 30 months service or a share price of 300% of 30 d VWAP at 29 June 2022.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
	<ul style="list-style-type: none"> <li>1,200,000 options vesting on the later of 36 months service or a share price of 400% of 30 d VWAP at 29 June 2022.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Price hurdle reference rate	<ul style="list-style-type: none"> <li>30 day VWAP reference - \$0.63461405.</li> </ul>	<ul style="list-style-type: none"> <li>30 day VWAP at date of issue.</li> </ul>	<ul style="list-style-type: none"> <li>30 day VWAP at date of issue.</li> </ul>
Issue date	<ul style="list-style-type: none"> <li>Subject to shareholder approval by no later than 24 December 2022.</li> </ul>	<ul style="list-style-type: none"> <li>Subject to shareholder approval by no later than 24 December 2022.</li> </ul>	<ul style="list-style-type: none"> <li>Subject to shareholder approval by no later than 24 December 2022.</li> </ul>
Options expiration	<ul style="list-style-type: none"> <li>60 months from the option Issue date.</li> <li>90 days after the date on which the CEO ceases to be employed by the Company.</li> <li>Expiry periods above may be impacted by standard change of control, 'good leaver' and 'bad leaver' provisions.</li> </ul>	<ul style="list-style-type: none"> <li>failure to meet the vesting condition within 3 years of the options being issued.</li> <li>where the option has vested within 60 months of the Issue date.</li> <li>12 months after the date on which the Director ceases to be employed by the Company.</li> <li>Expiry periods above may be impacted by standard change of control, 'good leaver' and 'bad leaver' provisions.</li> </ul>	<ul style="list-style-type: none"> <li>Failure to meet the vesting condition within 3 years of the options being issued.</li> <li>where the option has vested within 60 months of the Issue date.</li> <li>12 months after the date on which the Director ceases to be employed by the Company.</li> <li>Expiry periods above may be impacted by standard change of control, 'good leaver' and 'bad leaver' provisions.</li> </ul>

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If you are attending the virtual Meeting  
please retain this Proxy Voting Form  
for online Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **3.00pm (WST) on Tuesday, 22 November 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

**By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.**

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

### Lodging your Proxy Voting Form:

#### Online:

Use your computer or smartphone to appoint a proxy at  
<https://investor.automic.com.au/#/login>

or scan the QR code below using your smartphone

**Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.**



#### BY MAIL:

Automic  
GPO Box 5193  
Sydney NSW 2001

#### IN PERSON:

Automic  
Level 5, 126 Phillip Street  
Sydney NSW 2000

#### BY EMAIL:

[meetings@automicgroup.com.au](mailto:meetings@automicgroup.com.au)

#### BY FACSIMILE:

+61 2 8583 3040

**All enquiries to Automic:**

**WEBCHAT:** <https://automicgroup.com.au/>

**PHONE:** 1300 288 664 (Within Australia)  
+61 2 9698 5414 (Overseas)

